

NORTHERN DISTRICT OF TEXAS
FILED

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF TEXAS
FORT WORTH DIVISION

CLERK, U.S. DISTRICT COURT
By _____ Deputy

UNITED STATES OF AMERICA

v.

No. 4:18-MJ- **755**

DONALD HOWARD CONKRIGHT (01)

CRIMINAL COMPLAINT

I, Task Force Officer Casey Allen, being duly sworn, state the following is true and correct to the best of my knowledge and belief:

Alleged Offense:

From on in or around October 2018 to the present, in the Northern District of Texas, defendant **Donald Howard Conkright** devised a scheme to defraud the Crowley Independent School District, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing that scheme, he caused to be transmitted by means of wire communication in interstate commerce certain signals and sounds, all done in violation of 18 U.S.C. § 1343.

Probable Cause:

I, Task Force Officer Casey Allen, am a Detective with the Fort Worth Police Department (FWPD), am currently detailed to the Federal Bureau of Investigation (FBI), and was deputized by the FBI under Title 21, United States Code, as a member of the FBI's Financial Crimes Task Force. The statements set forth in this affidavit are true and correct to the best of my knowledge and belief, but are not inclusive of all the evidence or information in the case.

THE SCHEME TO DEFRAUD

1. Crowley Independent School District, hereinafter referred to as Crowley ISD, is a public-school district, which is headquartered at 512 Peach Street, Crowley, Texas, and located in the Northern District of Texas.
2. As part of its ongoing operations, Crowley ISD routinely paid vendors by check, wire transfer and automated clearing house (ACH). One of those vendors who Crowley ISD routinely paid was Steele & Freeman, Inc. (Steele Freeman), a commercial construction company which operates in and around North Texas and Southern Oklahoma.
3. On or about October 24, 2018, the Director of Account for Crowley ISD received an email from 'drowland@steelefreeman.net'. The email included the subject line, "BANKING INFORMATION FOR ACH SETUP" (emphasis original). The email purportedly came from 'Dena Rowland' who was employed as an accountant for Steele Freeman. The email also purportedly provided updated banking information for Steele Freeman, and specifically included the following:

BANK NAME: IBERIABANK
BANK ADDRESS: 5601 OVERSEAS HIGHWAY, MARATHON, FL
33050
ACCOUNT NUMBER: 12103671139
ROUTING NUMBER: 265270413
(Emphasis original).

4. Based on the email dated October 24, 2018, Crowley ISD sent a \$1 test payment via ACH to the Iberia Bank account ending in X1139. The next day, another email was sent to Crowley ISD's Director of Accounting from the same drowland@steelefreeman.net email address, which confirmed receipt of the \$1 ACH test transaction.

As a result of the emails from drowland@steelefreeman.net and confirmation ACH transaction, Crowley ISD believed any incoming invoices from Steele Freeman were to be paid to the Iberia Bank account ending in X1139.

5. On or about November 13, 2018, Crowley ISD sent an ACH transaction to the Iberia Bank account ending in X1139 in the amount of approximately \$522,588.98. The ACH transaction was payable to Steele & Freeman.

6. On or about November 14, 2018, Crowley ISD sent an ACH transaction to the Iberia Bank account ending in X1139 in the amount of approximately \$1,473,126.54. The ACH transaction was payable to Steele & Freeman.

7. Based upon interviews conducted by your Affiant and a review of financial records provided by Iberia Bank, the account ending in X1139 is owned by, and under the custody and control of **Conkright**. **Conkright's** account X1139 was initially opened on or about October 15, 2018, and was funded with an initial deposit of \$1,000.00.

8. On or about November 13, 2018, **Conkright's** account X1139 received the first ACH transaction from Crowley ISD, payable to Steele Freeman in the amount of approximately \$522,904.98. **Conkright** has never been employed by, maintained an ownership interest in, or had any financial relationship with, or on behalf of, Steele Freeman.

9. A review of **Conkright's** account X1139, indicated on or about November 13, 2018, Conkright made at least 10 withdrawal transactions, which totaled approximately \$52,665.77 or more. A review of these transactions included debit card transactions, cash withdrawals and checks drawn of account X1139.

10. On or about November 14, 2018, **Conkright's** account X1139 received the second ACH transaction from Crowley ISD, payable to Steele Freeman in the amount of approximately \$1,473,126.54.

11. A review of **Conkright's** account X1139, indicated on or about November 14, 2018, **Conkright** made at least 12 withdrawal transactions, which totaled approximately \$1,622,183.00. A review of these transactions included debit card transactions, cash withdrawal, checks, internal transfers, and international wire transfers. Included with the transactions was a \$750,000.00 transfer to an Iberia Bank savings account ending in X4241. Based on a review of financial records, Iberia Bank account ending in X4241 is owned by, and under the custody and control of **Conkright**.

12. Between on or about November 15, 2018, and November 18, 2018, **Conkright** made at least 29 withdrawal transactions, which totaled about \$291,462.31.

13. Based on a review of video surveillance provided by Iberia Bank, your Affiant has identified **Conkright** to be present in Iberia Bank branch locations during the period of the scheme to defraud. Additionally, your Affiant has learned from bank investigators **Conkright** told Iberia Bank employees the money he received on behalf of Steele Freeman was part of his girlfriend's inheritance.

14. Among the withdrawals **Conkright** made from his account X1139, on or about November 16, 2018, **Conkright** sent a wire transfer in the amount of approximately \$69,205.00 to K. Jewelers Inc. Based on information provided by Iberia Bank employees,

Conkright indicated to Iberia Bank branch employees he had purchased a new Rolex watch.

Conkright was observed by Iberia Bank branch employees wearing a watch.

15. Your Affiant has reviewed records provided by K. Jewelers related to **Conkright**. On or about November, 16, 2018, **Conkright** made two purchases at K.Jewelers, located in Miami, Florida. First, **Conkright** purchased an 18 karat yellow gold Rolex "President Bracelet Silver Roman Dial," priced at about \$32,830.19. In addition, **Conkright** purchased an 18 karat yellow gold Rolex "Submariner with Date," priced at about \$34,250.00. With sales tax, the total charges were about \$71,205.00.

16. A review of K. Jewelers sales order number S9571, dated November 16, 2018, include a \$2,000.00 payment with an Iberia Bank debit card ending in X2249, in the name of **Conkright**, and a balance of \$69,205.00. In addition, K. Jewelers retained a copy of **Conkright's** driver's license and a copy of **Conkright's** Iberia Bank debit card ending in X2249. In addition, your Affiant has reviewed surveillance photos of **Conkright** located in the K. Jewelry location in Miami, Florida.

17. Your Affiant has reviewed financial records provided by Iberia Bank for **Conkright's** account X4241. **Conkright's** account X4241 was initially opened on or about October 15, 2018, and was funded with an initial deposit of \$1,026.62. The only other deposit in **Conkright's** account X4241 was the \$750,000.00 transfer from account X1139 on or about November 14, 2018.

18. On or about November 15, 2018, **Conkright's** account X4241 sent a wire transfer to B.M. Inc. in the amount of \$128,029.87. Your Affiant has learned B.M. Inc. is a car dealership, which is located in Miami, Florida, which sells various high-end vehicles including but not limited to BMWs.

19. On or about November 14, 2018, **Conkright** purchased a 2018 BMW M3. Your Affiant has reviewed records from the State of Florida, Department of Highway Safety and Motor Vehicles, which identified **Conkright** was registered as the owner of the vehicle, and listed **Conkright's** address and driver's license number.

20. Your Affiant has interviewed representatives of B.M. Inc., who confirmed **Conkright** paid for his 2018 BMW M3 with a wire transfer in the amount of approximately \$128,029.87.

21. As a result of the scheme and artifice to defraud by **Conkright**, Crowley ISD lost approximately \$1,995,715.52.

INTERSTATE WIRE COMMUNICATIONS

22. During the course of his scheme to defraud, and in furtherance of it, **Conkright** caused a number of interstate wire communications to be sent. Among them, for instance,

A. On or about 11/13/2018, **Conkright** caused an ACH wire transfer to be sent from Crowley ISD's bank account located in the Northern District of Texas to his bank account in Florida in the amount of approximately \$522,588.98.

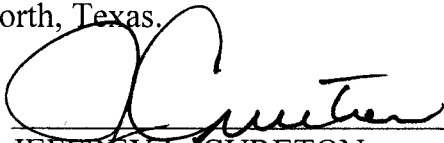
B. On or about 11/14/2018, **Conkright** caused an ACH wire transfer to be sent from Crowley ISD's bank account located in the Northern District of Texas to his bank account in Florida in the amount of approximately \$1,473,126.54.

Based upon the above facts and circumstances, I respectfully submit that there is probable cause to believe that **Donald Howard Conkright** devised a scheme to defraud the Crowley Independent School District, and to obtain money and property by means of materially false and fraudulent pretenses, representations and promises, and for the purpose of executing that scheme, he caused to be transmitted by means of wire communication in interstate commerce certain signals and sounds, all done in violation of 18 U.S.C. §1343.



Casey Allen
Task Force Officer
U.S. Federal Bureau of Investigation

SWORN AND SUBSCRIBED before me, at 1:58 p.m., this 10th day of December, 2018 in Fort Worth, Texas.



JEFFREY L. CURETON
United States Magistrate Judge